

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
01-010

2. STATE
Wisconsin

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
10/01/01

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
SSA Sections 1902(r)(2) & 1931(b)(2)(C)

7. FEDERAL BUDGET IMPACT:
a. FFY 2002 \$ 544,000
b. FFY 2003 \$ 544,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 2.6-A Supplement 8b pp. 1 & 2.
Attachment 2.6-A Supplement 12 pp. 1 & 2.

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Same.
Same.

10. SUBJECT OF AMENDMENT:

Removes asset test for Medicaid eligibility

11. GOVERNOR'S REVIEW (*Check One*):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT *Robert Blum* ☐ OTHER, AS SPECIFIED:
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Peggy B. Handrich

13. TYPED NAME:

Peggy B. Handrich

14. TITLE:

Administrator, Division of Health Care Financing

15. DATE SUBMITTED:

December 21, 2001

16. RETURN TO:

Peggy B. Handrich
Administrator
Division of Health Care Financing
P.O. Box 309
Madison, WI 53701-0309

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 12-26-01

18. DATE APPROVED: *2/20/02*

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: *Oct 1, 2001*

20. SIGNATURE OF REGIONAL OFFICIAL:

Cheryl A. Harris

21. TYPED NAME: Cheryl A. Harris

22. TITLE: Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

RECEIVED

DEC 26 2001

DMCH - MI/MN/WI

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Wisconsin

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r) OF THE ACT**

☐ Section 1902(f) State ☒ Non-Section 1902(f) State

a. For persons in remedial or care institutions* and SSI-related Medically Needy:

1. \$2,000 limit on household goods and personal effects. Household goods and personal effects are only counted if of unusual value.
2. First moment of the month rule for counting of resources. For an applicant - A person can become eligible any time during the month when assets are at or below limit. For a recipient - A person can maintain eligibility during the month even if resources exceed limits if the excess is used to discharge legal debts within the month or is converted to exempt resources.
3. Irrevocable burial trusts. Interest from irrevocable burial trusts is counted as an asset unless it has been specifically declared irrevocable in writing.
4. Availability of assets. Assets are not considered available unless they will be available in cash within 30 days (e.g., cash value of life insurance); value is suspended until asset becomes available.
5. Exclusion of real property. Nonexempt real property is considered unavailable when the property owner lists it for sale with a realtor at its fair market value or a joint owner who is outside the fiscal test group refuses to sell the property.

B. For AFDC-related Medically Needy:

All resources will be disregarded for persons eligible as AFDC-related medically needy under 1902(a)(10)(C)(ii).

* Includes persons in medical or remedial care institutions who are eligible under a special income level and persons in medical or remedial care institutions who would be eligible for AFDC, SSI, or an optional state supplement if they were not in a medical institution.

** These policies were approved effective October 1, 1988, as part of TN #88-0037

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State: Wisconsin

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902(r) OF THE ACT**

☐ Section 1902(f) State ☒ Non-Section 1902(f) State

C. The following resource regulations apply to Working Disabled individuals as defined in Section 1902(a)(10)(A)(ii)(XIII) of the Social Security Act:

1. Up to \$13,000 of available resources plus the value of an Independence Account shall be disregarded.
2. A resource disregard shall be given to a working disabled individual who holds monies in an Independence Account. To be eligible for this resource disregard the Independence Account is subject to the following provisions:
 - Only deposits made after an individual's first enrollment in Medicaid under this section will be allowed as an Independence Account.
 - Deposits into the account must not exceed 50% of earned income in any calendar year.
 - These accounts will be held separate from non-exempt resources, in an account for which prior approval has been obtained from the Department, and for which the owner authorizes regular monitoring and/or reporting including deposits, withdrawals, and other information deemed necessary by the Department for the proper administration of this provision. The separateness requirement may be waived in the case of an employer's pension and/or a retirement account.
 - Amounts deposited and all gains, dividends or interest earned in an employer's retirement fund and an individual's IRA account after that person's first enrollment in Medicaid under this section will automatically qualify as part of an Independence Account if registered with the Department.
3. A spouse's resources will not be deemed to the applicant when determining whether or not the individual meets the financial eligibility requirements for the SSI program under this section.

D. For AFDC-related Categorically Needy:

All resources will be disregarded for persons eligible as AFDC-related categorically needy under ss. 1902 (a) (10) (A) (i) (III) and 1902 (a) (10) (A) (ii) (I) and (III).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under 1931 of the Act.

The following optional groups are covered:

- X Pregnant women with no other eligible children.
- X AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of Vocational or technical training.

_____ In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, without modification.

X In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

_____ The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

_____ The agency applies higher income standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows.

_____ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows.

X The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

Wisconsin will disregard Temporary Assistance to Needy Families (TANF) income for purposes of determining Medicaid eligibility.

Wisconsin will disregard all resources for purposes of determining Medicaid eligibility.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

TANF did not exist prior to July 16, 1996.

Counting all resources that were not exempt under AFDC regulations at 45 CFR 233.20(a) and comparing the total to a resource limit of \$1,000.

_____ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

_____ The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996, and approved by the Secretary on or before July 1, 1997.